



**UNIVERSIDAD DE SONORA**  
**Central Region Unit**  
**School of Economic and Administrative Sciences**  
**Economics Department**  
**Bachelor's Degree in International Business and Trade**

**Identification Information**

<b>Name of the subject:</b> Costs for Decision Making	<b>Formative Pillar:</b> Specializing
<b>Didactic unit:</b> Course -workshop	<b>Previous Subject Requirement:</b>
<b>Class Hours:</b> 4 per week (2 theory, 2 practice)	<b>Subsequent Subject:</b>
<b>Subject Type:</b> Elective	<b>Credits:</b> 6

**Introduction:**

Changes in the business environment require future managers to have managerial and financial skills.

The modern trend in accounting records and procedures is to facilitate managers' decisions, moving from the historical aspect to planning and control, playing a double role within the company's functions, first as a basic management tool and second, as an integral part of it.

These days accounts are being designed more frequently for administrative purposes. Management accounting includes financial accounting by overseeing the aspects related to maintaining necessary accounts in the accounting books, observing legal requirements, establishing and operating with reasonable accuracy, in accordance with the company's action plans and programs.

**Objective:**

The student will develop the skills and techniques for decision making within organizations through the use of cost information for planning, control, in order to increase business profitability through the development of competitive advantages. You will also learn about the scope and applications of administrative accounting, as well as its relationship with cost accounting and its differences with financial accounting for the productive sector.

### **Specific Objectives:**

Students will:

- It will identify and analyze the characteristics of administrative accounting, as well as its advantages and applications.
- Analyze the behavior of costs.
- Know how to report fixed and variable costs.
- Know the basics of direct and absorbent costing.
- Analyze the margin of contribution and the break-even point from the perspective of the manager for decision making.
- Identify the method of the graphical approach to cost-volume-utility analysis.
- Apply the different types of budgets, develop the ability to formulate budgets through financial information.
- Develop the student's sense of practicality in handling real-life case studies.

### **Thematic Content**

#### **Unit 1. The role of accounting information in competitive business management**

- 1.1. Nature of the accounting information
- 1.2. Comparison of financial and administrative accounting
- 1.3. The role of management accounting in planning
- 1.4. The role of management accounting in control

#### **Unit 2. Cost classifications**

- 2.1. According to the function in which they originate
- 2.2. According to their identification with the costing object
- 2.3 According to the time they were calculated
- 2.4 According to the time they are charged or face income
- 2.6 According to the control on the incursion of the cost
- 2.7 According to behavior
- 2.8 According to their importance in decision-making
- 2.9 According to the type of sacrifice
- 2.10 According to the change caused by an increase or decrease in activity
- 2.11 According to its relationship with a decrease in activity

#### **Unit 3. Cost analysis and management decisions**

- 3.1. Cost management and the use of activity-based costing
- 3.2. Proper determination of product costing through ABC

#### **Unit 4. Direct and absorbent costing system**

- 4.1. Fundamentals of direct costing and absorption costing

- 4.2. Direct costing mechanism
- 4.3. Advantages and disadvantages of direct costing

**Unit 5. The cost-volume-utility analysis**

- 5.1. The break-even point
- 5.2. Model assumptions
- 5.3. Profit planning and at cost-volume-utility ratio
- 5.4. The volume-utility graph
- 5.5. Analysis of changes in cost variables - volume - utility

**Unit 6. Budgets**

- 6.1. Planning, control and budgets
  - 6.1.1. Nature of the budgets
  - 6.1.2. Relationship of budgets to the planning process
  - 6.1.3. Administrative control and budgets
  - 6.1.4. Types of budgets
  - 6.1.5. Sales budget
  - 6.1.6. Production budget
  - 6.1.7. Purchase budget
  - 6.1.8. Labour budget
  - 6.1.9. Indirect manufacturing costs budget
  - 6.1.10. Final inventory budgets
  - 6.1.11. Projected cost of sales
  - 6.1.12. Operating budget
  - 6.1.13. Budgeted income statement

**6.2. Financial budget**

- 6.2.1. Collection budget
- 6.2.2. Supplier payment budget
- 6.2.3. Investment budget
- 6.2.4. Financing budget
- 6.2.5. Cash budget
- 6.2.6. Budgeted balance sheet

**Course Crediting and Evaluation methods and requirements:**

The average of 3 midterm exams	30%
Participation in group discussions and presentations or class presentations	20%
Final Project	40%
Participation	<u>10%</u>
Total weighted average	100%

### **Teaching Strategies**

Presentation of information by the teacher  
Targeted group discussions  
Oral presentations by students  
Bibliographic research by students  
Presentation of exercises  
Presentation and evaluation of the Final Project

### **Bibliography:**

Horngren, Charles T., 1926-, **Contabilidad de costos: un enfoque gerencial** / Charles T. Horngren, Srikant M. Datar, George Foster; tr. Jacqueline L. Chávez Servín, Jaime Gómez Mont Araiza; rev. téc. Sandra Patricia Minaburo Villar, Sylvia Meljem Enríquez de Rivera; colabs. Irma Damián González...[et al.]-- 12a ed.-- México: Editorial Pearson Educación, c2007.

Horngren, Charles T., 1926-**Contabilidad administrativa: introducción**, 2a ed.-- México: Editorial Prentice-Hall, c1994 Backer, Morton.

Morton Backer, Lyle Jacobsen, David Noel Ramírez Padilla, **Contabilidad de costos: un enfoque administrativo para la toma de decisiones** / -- 2a ed.-- México: Editorial McGraw-Hill, c1983.

Ramírez Padilla, David Noel, **Contabilidad Administrativa**, 7ª Edición ED. Mc. Graw Hill. México 2004.

Torres Salinas, Aldo S., **Contabilidad de costos: Análisis para la toma de decisiones** / Aldo S. Torres Salinas; rev. téc. Mónica Escalante de la O, Héctor R. García R., Alejandra Becerril Montes-- 2a ed.-- México: Editorial McGraw-Hill, c2002.

### **Desirable academic profile of the teacher:**

Academic:

Bachelor's degree in Public Accounting, Administration, Finance, Commercial Relations or in a related area.

Teaching Experience

Have worked as a teacher at the higher education level.

Professional Experience:

Professional experience in private, public or social sector companies.

Teaching Education:

Ease in carrying out teaching-learning tasks

Ease of communication with students as a group or individually

Ability to use technology and instructional techniques (computer, projector, videos, slides, etc.).